

**REMARKS**

Claims 1-10 and 13-16 have been examined. Claims 1 and 13 have been amended. Reconsideration of the claims, as amended, is respectfully requested.

**Claim Rejections – 35 USC 102**

Claims 1, 2, 4-10, 12, 14, and 16 are rejected under 35 USC 102(e) as being anticipated by O'Flaherty. This rejection is respectfully traversed.

As pending, independent claim 1 recites a method for protecting consumer personal data. According to the method, an application is received for a payment instrument, with the application comprising personal data and a privacy preference of a consumer. The application is saved in electronic form in a database. Also, at least some of the personal data and the privacy preference are stored onto the payment instrument.

Hence, with the method of claim 1, the privacy preference is stored on a payment instrument, i.e. an instrument that may be used to make purchases. Perhaps the most common type of payment instrument is a credit card that is read by a point of sale device at a merchant location when making a purchase. Hence, with the method of claim 1, the account number on the payment instrument may be read while making a purchase, and the privacy preference may be read as well. Hence, if the merchant wants to use the personal data obtained from the consumer when making a purchase, the privacy preference will also be there.

In contrast, the O'Flaherty patent describes a system that is far different. More specifically, the O'Flaherty system is an attempt to create a large-scale privacy preference database, while permitting consumers to access the database to select or modify any privacy preferences. Nowhere in the O'Flaherty patent is there any teaching of storing a privacy preference on a payment instrument. Rather, with O'Flaherty, a smart card or loyalty card may be issued with a privacy preference. However, smart cards and loyalty cards as described in the O'Flaherty patent are not payment instruments. In order to be a payment instrument, the card must have an account number in order to identify the account to charge when making a purchase.

Rather, the smart cards and loyalty cards of the O'Flaherty patent are merely an access instrument used to gain access to the privacy database, while containing no credit card account information. See, for example, paragraph 39 of O'Flaherty.

Because the O'Flaherty patent does not teach the placement of a privacy preference into a payment instrument, claims 1, 2, 4-10, 12, 14, and 16 are distinguishable without amendment. However, in order to expedite prosecution, claim 1 has been amended to recite that "the payment instrument further includes consumer account information necessary to tie a debit or credit payment transaction to a consumer account." Similarly, claim 13 has been amended to recite that "the payment instrument further includes consumer account information necessary to tie a debit or credit payment transaction to a consumer account" and that "the consumer account information is read to provide payment to a merchant." As just described, the O'Flaherty patent fails to teach this limitation, making these claims distinguishable for this additional reason.

Claim Rejections – 35 USC 103

Claims 3 and 15 have been rejected under 35 USC 103 as being unpatentable over O'FLAHERTY in view of Pollin. This rejection is respectfully traversed.

Claim 3 depends from claim 1 and claim 15 depends from claim 13 which are distinguishable over O'Flaherty for at least the reason previously described. Further, claims 3 and 15 are distinguishable over Pollin.

The office action recites that Pollin teaches "storing the secure information onto the printed MICR on the check." Applicant respectfully disagrees. Nowhere in Pollin is there any teaching of including secure information in the MICR line of the check. Rather, the MICR line used in Pollin is an industry standard MICR line containing the financial institutions number, the account number and the check number. See, col. 12, line 56-64. Such information is not secure privacy preference data. Hence, nowhere in the combined teachings of Pollin and O'Flaherty is there any teaching of storing privacy preference data on a presentation instrument. As such, claims 3 and 15 are distinguishable for this additional reason.

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Amdt. dated December 17, 2003  
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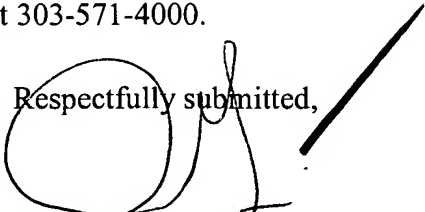
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CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

  
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